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SEP 20 AM 10 57

September 17, 1999

EXECUTIVE SECRETARY
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SEP 20 1999

TN REGULATORY AUTHORITY
JR

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

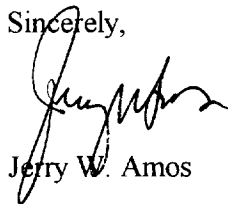
Re: Application of Piedmont Natural Gas Company, Inc. for Authority to Issue and
Sell 2,000,000 Shares of Common Stock Pursuant to the Dividend Reinvestment
and Stock Purchase Plan
Docket No. 99-00692

Dear Mr. Waddell:

I am enclosing for filing in the above captioned proceeding the original and fourteen copies of a
Petition of Piedmont Natural Gas Company, Inc. for Authority to Issue and Sell 2,000,000 Shares of
Common Stock Pursuant to the Dividend Reinvestment and Stock Purchase Plan. I am enclosing a check
in the amount of \$25.00 in payment of the filing fee.

I am enclosing an additional copy of the Petition that I would appreciate your stamping filed and
returning in the enclosed envelope.

Sincerely,


Jerry W. Amos

JWA:kam
Encl.

FILE

Before the Tennessee Regulatory Authority
Nashville, Tennessee

REC'D TN
REGULATORY AUTH.

Application of Piedmont Natural Gas Company,)
Inc., for Authority to Issue and Sell 2,000,000)
Shares of Common Stock Pursuant to the)
Dividend Reinvestment and Stock Purchase Plan)

1999 SEP 20 AM 10 57
Docket No. _____

OFFICE OF THE
EXECUTIVE SECRETARY

Petition

Pursuant to the provisions of Tennessee Code Annotated, Section 65-4-109, Petitioner
Piedmont Natural Gas Company, Inc. (Piedmont) hereby applies for authority to issue
maximum of 2,000,000 shares of its Common Stock, in the amount of \$100,000,000 in the
support thereof, Piedmont respectfully shows unto the Authority as follows:

I.

Piedmont is incorporated under the laws of the State of Tennessee and is engaged in
the business of transporting, distributing and selling gas in the State of Tennessee,
North Carolina and South Carolina. Piedmont is a public utility under the laws of the
State of Tennessee. Piedmont's public utility operations in Tennessee are subject to the jurisdiction of the Tennessee Public Service Commission.

Original

II.

Piedmont conducts its public utility business in Tennessee through its subsidiary, Nashville
Gas Company (Nashville Gas). Nashville Gas maintains an office at 665 Mainstream Drive,
Nashville, Tennessee. Nashville Gas is engaged in the business of furnishing natural gas in
Davidson County and in portions of Cheatham, Dickson, Robertson, Rutherford, Sumner,
Trousdale, Williamson and Wilson Counties, Tennessee, and in certain incorporated towns
therein.

III.

The Tennessee Public Service Commission (TPSC) previously authorized Piedmont to
issue and sell 6,800,000 shares of its Common Stock pursuant to the Piedmont Natural Gas
Company, Inc. Dividend Reinvestment and Stock Purchase Plan (the "Plan"). As of July 31,

1999, Piedmont had issued and sold 6,549,709 shares under the Plan. Piedmont seeks in this petition to issue and sell a maximum of 2,000,000 additional shares of its Common Stock (in addition to the 250,291 shares of common stock previously authorized by the TPSC but unissued) pursuant to the Plan. The Plan is described in detail in the prospectus (the "Prospectus") attached hereto as Exhibit A. The purpose of the Plan is set forth in the answer to question 1 on page 4 of the Prospectus. The Plan is substantially similar to previous Piedmont dividend reinvestment plans approved by the TPSC. The only significant revisions are (a) the maximum optional cash payments have been increased from \$36,000 to \$120,000 annually and (b) optional cash payments will be invested weekly rather than monthly.

IV.

The price of shares of Common Stock purchased with reinvested dividends is 95% of the mean of the high and low sales prices for such shares reflected in the New York Stock Exchange Composite Transactions on that investment date, or the most recent preceding day if the New York Stock Exchange is closed on the investment date. The 5% discount was determined to approximate the cost to Piedmont that would be incurred if Piedmont were to sell the Common Stock in a public underwriting. Since Piedmont competes with other utilities offering similar dividend reinvestment plans, Piedmont believes the 5% discount is required to enable it to sell the maximum number of shares and thereby to obtain the maximum amount of funds for its continuing construction program and for general corporate purposes. The price of shares of Common Stock purchased through initial payments or with optional cash payments is 100% of the mean described above. Piedmont estimates that the expenses (excluding the 5% discount) to be incurred in connection with the issuance and sale of the Common Stock will be approximately \$34,400.

V.

The net proceeds from the sale of Common Stock will be used for the purpose set forth under the caption "Use of Proceeds" on page 14 of the Prospectus.

VI.

Attached hereto are the following exhibits:

Exhibit A: Prospectus dated September 7, 1999.

VII.

The name and address of the persons to whom any notices or other communications with respect to this Petition are to be sent are as follows:

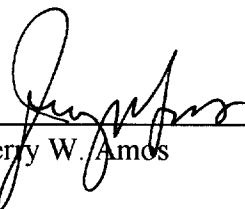
John H. Maxheim
Chairman of the Board
Piedmont Natural Gas Company, Inc.
Post Office Box 33068
Charlotte, North Carolina 28233
Telephone: (704) 364-3120

WHEREFORE, Piedmont respectfully requests the Authority to issue an order authorizing, empowering and permitting Piedmont:

1. to offer, issue and sell up to 2,000,000 shares of its Common Stock (in addition to the 250,291 shares previously authorized but unissued) under the terms and conditions set forth in the Prospectus; and
2. to apply the proceeds from the sale of the common stock as set forth under the caption "Use of Proceeds" in the Prospectus.

Respectfully submitted, this the 17th day of September, 1999.

Piedmont Natural Gas Company, Inc.

By: 
Jerry W. Amos

Of Counsel:

Amos, Jeffries & Robinson, LLP
P.O. Box 787
Greensboro, North Carolina 27402
Telephone: (336) 273-5569

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

David J. Dzuricky, being duly sworn, deposes and says that he is Senior Vice President - Finance of Piedmont Natural Gas Company, Inc.; that as such, he has read the foregoing Petition and knows the contents thereof; that the same are true of his own knowledge except as to those matters stated on information and belief and as to those matters he believes them to be true.


David J. Dzuricky

Sworn to and subscribed before me,
this the 16th day of September, 1999.


Notary Public

My Commission Expires:

 My Commission Expires October 29, 2000